IN THE UNITED STATES DISTRICT COURT NORTHERN DISTRICT OF TEXAS

KIMBERLY STARLING, individually and
on behalf of all others similarly situated,

Case No. 24-797

Plaintiff,

JURY TRIAL DEMANDED

NEWSMAX MEDIA, INC.

v.

Defendant.

PLAINTIFF'S CLASS ACTION COMPLAINT

Plaintiff Kimberly Starling ("Ms. Starling"), by her undersigned counsel, for this class action complaint against Defendant Newsmax Media, Inc., as well as its present, former and future direct and indirect parent companies, subsidiaries, affiliates, agents and related entities, alleges as follows:

I. INTRODUCTION

1. Nature of Action: "Telemarketing calls are intrusive. A great many people object to these calls, which interfere with their lives, tie up their phone lines, and cause confusion and disruption on phone records. Faced with growing public criticism of abusive telephone marketing practices, Congress enacted the Telephone Consumer Protection Act of 1991. Pub. L. No. 102-243, 105 Stat. 2394 (1991) (codified at 47 U.S.C. § 227). As Congress explained, the law was a response to Americans 'outraged over the proliferation of intrusive, nuisance calls to their homes from telemarketers," *id.* § 2(6), and sought to strike a balance between '[i]ndividuals' privacy rights, public safety interests, and commercial freedoms," *id.* § 2(9)." *Krakauer v. Dish Network, L.L.C.*, 925 F.3d 643, 649 (4th Cir. 2019).

- 2. As the Supreme Court has explained, "Americans passionately disagree about many things. But they are largely united in their disdain for robocalls. The Federal Government receives a staggering number of complaints about robocalls—3.7 million complaints in 2019 alone. The States likewise field a constant barrage of complaints. For nearly 30 years, the people's representatives in Congress have been fighting back. As relevant here, the Telephone Consumer Protection Act of 1991, known as the TCPA, generally prohibits robocalls to cell phones and home phones." *Barr v. Am. Ass'n of Political Consultants*, 140 S. Ct. 2335, 2343 (2020).
- 3. Plaintiff, individually and as class representative for all others similarly situated, brings this action against Defendant for violations of the Telephone Consumer Protection Act, 47 U.S.C. § 227 ("TCPA") for making prerecorded telemarketing calls to cell phones, including her own.
- 4. Because telemarketing campaigns generally place calls to thousands or even millions of potential customers *en masse*, Plaintiff brings this action on behalf of a proposed nationwide class of other persons who received illegal telemarketing calls from or on behalf of Defendant.

II. PARTIES

- 5. Plaintiff Starling is an individual who resides in the Northern District of Texas.
- 6. Defendant Newsmax Media, Inc. is a Delaware corporation with its headquarters and primary place of business in Florida.

III. JURISDICTION AND VENUE

7. <u>Jurisdiction</u>. This Court has federal-question subject matter jurisdiction over Plaintiff's TCPA claims pursuant to 28 U.S.C. § 1331 because the TCPA is a federal statute. 47 U.S.C. § 227; *Mims v. Arrow Fin. Servs., LLC*, 565 U.S. 368, 372 (2012). The Court has

supplemental jurisdiction pursuant to 28 U.S.C. § 1367(a) because Plaintiff's claim for violations of the Texas Business and Commerce Code relates to the same telemarketing campaign as the TCPA claim.

- 8. <u>Personal Jurisdiction</u>: The Court has specific personal jurisdiction over Defendant Newsmax Media, Inc. because it is a corporation that sent calls to telephone numbers into Texas, thus directly aiming its conduct to Texas.
- 9. <u>Venue</u>: Venue is proper in this District pursuant to 28 U.S.C. § 1391(b)(2) because a substantial part of the events giving rise to Plaintiff's claims—namely, the illegal telemarketing at issue—were sent into this district.

IV. FACTS

A. The Enactment of the TCPA and its Regulations

- 10. In 1991, Congress enacted the TCPA in response to a growing number of consumer complaints regarding certain telemarketing practices.
- 11. The TCPA makes it unlawful "to make any call (other than a call made for emergency purposes or made with the prior express consent of the called party) using an automatic telephone dialing system or an artificial or prerecorded voice . . . to any telephone number assigned to a . . . cellular telephone service, specialized mobile radio service, or other radio common carrier service, or any service for which the called party is charged for the call." 47 U.S.C. § 227(b)(1)(A).
- 12. The TCPA provides a private cause of action to persons who receive calls in violation of 47 U.S.C. § 227(b)(1)(A). *See* 47 U.S.C. § 227(b)(3).
- 13. According to findings by the Federal Communication Commission ("FCC"), the agency Congress vested with authority to issue regulations implementing the TCPA, such calls

are prohibited because, as Congress found, automated or prerecorded telephone calls are a greater nuisance and invasion of privacy than live solicitation calls, and such calls can be costly and inconvenient.

- 14. Congress singled out these services for special protection either because Congress realized their special importance in terms of consumer privacy and therefore protected them (as in the case of cellular phones), or because the numbers are assigned to services for which the called party is charged, thus shifting the cost of automated or prerecorded messages onto consumers. *See Barr v. Am. Ass'n of Pol. Consultants, Inc*, 140 S. Ct. 2335, 2363, (2020) (Gorsuch, J. & Thomas, J., concurring in part and dissenting in part).
- 15. This cause of action applies to users of any one of the four protected services (pager, cellular, specialized mobile radio [i.e. radiotelephony locator beacons or dispatch systems], or another radio common carrier service [i.e. ship-to-shore or air-to-ground]), or any service, including residential, VoIP, and landline services, for which the called party is charged for the call. *See Perrong v. Victory Phones LLC*, No. CV 20-5317, 2021 WL 3007258, at *6 (E.D. Pa. July 15, 2021).
- 16. "Non-emergency prerecorded voice or autodialed calls to [the destinations enumerated in 47 U.S.C. § 227(b)(1)(A)] are permissible only with the prior express consent of the called party." This includes calls made using artificial or prerecorded voices to business lines. See FCC Enforcement Advisory: Tel. Consumer Prot. Act Robocall & Text Rules Biennial Reminder for Pol. Campaigns About Robocall & Text Abuse, 31 FCC Rcd. 1940, 1941 n.6 (2016) [hereinafter FCC Advisory].
- 17. Non-consensual, non-emergency calls placed using an ATDS or an artificial or prerecorded voice violate 47 U.S.C. § 227(b)(1)(A), regardless of the purpose of the call. *Victory*

Phones, 2021 WL 3007258, at *6 (rejecting claim that noncommercial survey calls were exempt and holding that "[T]he operative language of the TCPA is unambiguous. Section 227(b)(1)(A) prohibits placing artificial and prerecorded voice calls to a variety of telephone numbers."). To hold otherwise would read the words "any person" and "any call" out of the statute. *See id*.

B. The Texas Business and Commerce Code

- 18. Realizing the particular harm to Texas residents that unsolicited telemarketing calls to them poses, the Texas Legislature passed Section 302.101 of the Texas Business and Commerce Code, which requires all "sellers" or "salespersons" making "telephone solicitations" inducing a person to "purchase, rent, claim, or receive an item," to register as such with the Texas Secretary of State. Tex. Bus. & Com. Code §§ 302.001; 302.101.
- 19. The burden of proof lies on Defendant to show it registered each business location to prove its licensure or on proving an exemption. *Id.* § 302.051.
- 20. The sale of news services is not a product or service for which there is an exemption to the Code. *Id.* § 302.051.
- 21. Defendant Newsmax is not registered with the Texas Secretary of State as required by the Business and Commerce Code. *Telephone Solicitors Search*, TEXAS SECRETARY OF STATE, https://direct.sos.state.tx.us/telephone/TelephoneSearch.asp (querying "Newsmax" or "News Max" as either a DBA or seller name returns no results).

C. Unsolicited Telemarketing to Plaintiff

- 22. Plaintiff Starling is, and at all times mentioned herein was, a "person" as defined by 47 U.S.C. § 153(39).
- 23. Plaintiff's residential cellular telephone number is (817)-XXX-XXXX, is on the National Do Not Call Registry, and has been for more than a year prior to the calls at issue.

- 24. Ms. Starling uses the number for personal, residential, and household reasons.
- 25. The number is a residential telephone line because it is assigned to a cellular telephone exchange service for consumers and is not assigned to a telephone exchange service for businesses.
 - 26. Plaintiff Starling never consented to receive calls from Defendant.
 - 27. Plaintiff Starling never did business with the Defendant.
- 28. Despite this, Plaintiff received a total of at least one automated, prerecorded telephone call from Defendant's number 202-894-7314 as part of a telemarketing campaign. The call was sent on June 12, 2023 at 11:34j.
- 29. When the Plaintiff answered the call, a pre-recorded voice played, which stated the following pre-recorded message:
 - Hi. This is Dave Collins calling on behalf of Newsmax. Newsmax is conducting an urgent national poll about the recent arrest and charges against President Trump. Do you think the indictment and charges against President Donald Trump are justified, or just a political attack? Press 1 for justified, the charges are serious. . .
- 30. The call was clearly pre-recorded using a pre-recorded voice because (a) the recording sounded scripted and voiced by a professional voice actor, (b) humans obviously have no ability to interpret touch tones, and (c) it would be illogical for a human to ask a person to press touch tones instead of speaking.
- 31. Thereafter, the Plaintiff received multiple text messages from NewsMax besides the poll the Plaintiff was being asked to complete. These included solicitations asking the Plaintiff to watch Ted Cruz on Newsmax by subscribing to Newsmax on Dish Network channel 216, and another one also asking the Plaintiff to watch another individual named Eric Bolling.

Clicking the link directs the recipient to a website where they are asked to pay to subscribe to NewsMax through a TV Provider. The text messages and website are reproduced below:

Newsmax: <u>6pm CT</u> Sen. Ted Cruz joins "Rob Schmitt Tonight" to talk Trump indictment, court appearance, more via Dish 216, more: <u>nws.mx/2vw</u>

5:32 PM

Newsmax: 8p ET Eric Bolling tackles FBI, Bill Barr hypocrisy over Trump indictment! Watch Newsmax: nws.mx/

6:02 PM

82ced2



6:14 PM

Newsmax: You have been opted out and will not receive any more messages from Newsmax.

6:14 PM



- 32. The calls were unwanted.
- 33. The calls were nonconsensual encounters.
- 34. Plaintiff's privacy has been violated by the above-described prerecorded telemarketing call.
 - 35. Plaintiff never provided her consent or requested the message.
- 36. Plaintiff and all members of the Classes, defined below, have been harmed by the acts of Defendant because their privacy has been violated and they were annoyed and harassed. In addition, the calls occupied their telephone lines, storage space, and bandwidth, rendering them unavailable for legitimate communication, including while driving, working, and performing other critical tasks.

V. CLASS ACTION ALLEGATIONS

37. <u>Class Definition</u>. Pursuant to Fed. R. Civ. P. 23(b)(2) and (b)(3), Plaintiff brings this case on behalf of the Classes (the "Classes") defined as follows:

Robocall Class: All persons within the United States: (1) to whose cellular telephone numbers, specialized mobile radio numbers, radio common carrier numbers, or numbers for which they were charged for the call (2) Defendant, or a third party on their behalf, placed a call using artificial or pre-record messages (3) within the four years prior to the filing of the Complaint to trial.

<u>Texas Business and Commerce Code Class</u>: All persons in the State of Texas who (1) received a telephone solicitation call from or on behalf of Defendant, (2) at any time during which Defendant was not registered as a telephone solicitor with the Texas Secretary of State, (3) at any time in the period that begins four years before the date of filing this Complaint to trial.

38. Excluded from the Classes are counsel, Defendant, any entities in which Defendant has a controlling interest, Defendant's agents and employees, any judge to whom this action is assigned, and any member of such judge's staff and immediate family.

- 39. The Classes, as defined above, are identifiable through telephone records and telephone number databases.
- 40. The potential members of the Classes likely number at least in the hundreds because of the *en masse* nature of telemarketing calls.
 - 41. Individual joinder of these persons is impracticable.
- 42. Additionally, the disposition of the claims in a class action will provide substantial benefit to the parties and the Court in avoiding a multiplicity of identical suits.
- 43. Plaintiff is a member of the Classes and will fairly and adequately represent and protect the interests of the Classes as she has no interests that conflict with any of the class members.
- 44. Plaintiff and all members of the Classes have been harmed by the acts of Defendant, including, but not limited to, the invasion of their privacy, annoyance, waste of time, and the intrusion on their telephone that occupied it from receiving legitimate communications.
 - 45. This class action complaint seeks injunctive relief and money damages.
- 46. There are numerous questions of law and fact common to Plaintiff and members of the Classes. These common questions of law and fact include, but are not limited to, the following:
- a. Whether Defendant systematically used systems to send calls using artificial or pre-recorded voices;
- b. whether Defendant made calls to Plaintiff and members of the Classes without first obtaining prior express written consent to make the calls;
- c. whether Defendant made telephone solicitations to members of the Texas

 Business and Commerce Code class without the required registration; and

- d. whether members of the Classes are entitled to treble damages based on the willfulness of Defendant's conduct.
- 47. Plaintiff's claims are typical of the claims of the Classes, as they arise out of the same common course of conduct by Defendant and are based on the same legal and remedial theories.
- 48. Plaintiff is an adequate representative of the Classes because her interests do not conflict with the interests of the Classes, she will fairly and adequately protect the interests of the Classes, and she is represented by counsel skilled and experienced in class actions, including TCPA class actions.
- 49. Common questions of law and fact predominate over questions affecting only individual class members, and a class action is the superior method for fair and efficient adjudication of the controversy. The only individual question concerns identification of class members, which will be ascertainable from records maintained by Defendant and/or its agents.
- 50. A class action is the superior method for the fair and efficient adjudication of this controversy. Class-wide relief is essential to compel Defendant to comply with the TCPA. The interests of individual members of the Class in individually controlling the prosecution of separate claims against Defendant are small because the damages in an individual action for violation of the TCPA are small. Management of these claims is likely to present significantly more difficulties than are presented in many class claims. Class treatment is superior to multiple individual suits or piecemeal litigation because it conserves judicial resources, promotes consistency and efficiency of adjudication, provides a forum for small claimants, and deters illegal activities. There will be no significant difficulty in the management of this case as a class action.

51. Defendant has acted on grounds generally applicable to the Classes, thereby making final injunctive relief and corresponding declaratory relief with respect to the Classes appropriate on a class-wide basis. Moreover, on information and belief, Plaintiff alleges that the telephone solicitation calls made by Defendant and/or its affiliates, agents, and/or other persons or entities acting on Defendant's behalf that are complained of herein are substantially likely to continue in the future if an injunction is not entered.

FIRST CAUSE OF ACTION

Telephone Consumer Protection Act (Violations of 47 U.S.C. § 227(b)) (On Behalf of Plaintiff and the Robocall Class)

- 52. Plaintiff repeats the prior allegations of this Complaint and incorporates them by reference herein.
- 53. The foregoing acts and omissions of Defendant and/or their affiliates, agents, and/or other persons or entities acting on Defendant's behalf constitute numerous and multiple violations of the TCPA, 47 U.S.C. § 227(b)(1)(A)(iii), by making calls, except for emergency purposes, with an artificial and/or pre-recorded voice message to protected telephone numbers.
 - 54. The Defendant's violations were negligent, willful, or knowing.
- 55. As a result of Defendant's and/or their affiliates, agents, and/or other persons or entities acting on Defendant's behalf's violations of the TCPA, 47 U.S.C. § 227, Plaintiff and members of the Class presumptively are entitled to an award of between \$500 and \$1,500 in damages for each and every call made.
- 56. Plaintiff and members of the Class are also entitled to and do seek injunctive relief prohibiting Defendant and/or their affiliates, agents, and/or other persons or entities acting

on Defendant's behalf from making pre-recorded calls, except for emergency purposes, to any protected telephone number in the future.

SECOND CAUSE OF ACTION

Texas Business and Commerce Code Violations of Texas Business and Commerce Code § 302.101 (On Behalf of Plaintiff and the Texas Business and Commerce Code Class)

- 57. Plaintiff repeats the prior allegations of this Complaint and incorporates them by reference herein.
- 58. The foregoing acts and omissions of Defendant and/or its affiliates, agents, and/or other persons or entities acting on Defendant's behalf constitute numerous and multiple violations of the Texas Business and Commerce Code, § 302.101, by making telephone solicitation calls, to Plaintiff and members of the Texas Business and Commerce Code Class despite not holding a registration certificate for the business location from which the telephone solicitation is made.
 - 59. Defendant's violations were negligent, willful, or knowing.
- 60. As a result of Defendant's, and/or its affiliates, agents, and/or other persons or entities acting on Defendant's behalf, violations of the Texas Business and Commerce Code, § 302.101, Plaintiff and members of the Texas Business and Commerce Code Class are presumptively entitled to a civil penalty of \$5,000 for each violation under § 302.302, plus all reasonable costs of prosecuting the action.

PRAYER FOR RELIEF

WHEREFORE, Plaintiff, individually and on behalf of the Classes, prays for the following relief:

A. Certification of the proposed Classes;

- B. Appointment of Plaintiff as representative of the Classes;
- C. Appointment of the undersigned counsel as counsel for the Classes;
- D. An order enjoining Defendant and/or its affiliates, agents, and/or other persons or entities acting on Defendant's behalf from making calls using artificial or prerecorded voice, absent an emergency circumstance;
 - E. An award to Plaintiff and the Classes of damages, as allowed by law; and
- F. Orders granting such other and further relief as the Court deems necessary, just, and proper.

VI. DEMAND FOR JURY

Plaintiff demands a trial by jury for all issues so triable.

RESPECTFULLY SUBMITTED AND DATED this August 19, 2024.

/s/ Andrew Roman Perrong

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